

# Financial Statements

## Air Logistics Networks Limited

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**For the Year Ended 31 December 2015**

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**Registered number: 1378919**

**Air Logistics Networks Limited**  
**Registered number:1378919**

## Company Information

<b>Directors</b>	S J Dawkins P Brunet C D O'Donnell
<b>Company secretary</b>	M N Arrowsmith
<b>Registered number</b>	1378919
<b>Registered office</b>	Unit 6E Boundary Court Willow Farm Business Park Castle Donington DERBY DE74 2NN
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Regent House 80 Regent Road LEICESTER LE1 7NH
<b>Bankers</b>	The Royal Bank of Scotland plc 1st Floor Rowan House Westwood Business Park COVENTRY CV4 8LE

**Air Logistics Networks Limited**  
**Registered number:1378919**

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**Air Logistics Networks Limited**

## **Directors' report**

**For the Year Ended 31 December 2015**

The directors present their report and the financial statements for the year ended 31 December 2015.

### **Principal activity**

The principal activity of the company is general air and sea cargo agents.

### **Results and dividends**

The profit for the year after taxation amounted to £59,827 (2014 - £98,517).

No dividends have been paid or proposed during the year (2014: £nil).

### **Directors**

The directors who served during the year were:

S J Dawkins  
P Brunet  
C D O'Donnell

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Air Logistics Networks Limited**

## Directors' report

For the Year Ended 31 December 2015

### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Post balance sheet events**

There have been no significant events affecting the Company since the year end.

### **Auditors**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

  
**S J Dawkins**  
Director

Date: 14 June 2016



## Independent auditor's report to the members of Air Logistics Networks Limited

We have audited the financial statements of Air Logistics Networks Limited for the year ended 31 December 2015, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and republic of Ireland.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent auditor's report to the members of Air Logistics Networks Limited

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in cursive script, appearing to read "John Bowler".

John Bowler (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
East Midlands

14 June 2016

## Statement of income and retained earnings

For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover	3	1,048,190	903,430
<b>Gross profit</b>		<b>1,048,190</b>	<b>903,430</b>
Administrative expenses		(809,550)	(613,969)
<b>Operating profit</b>	4	<b>238,640</b>	<b>289,461</b>
Amounts written off investments		(119,958)	(169,941)
Interest receivable and similar income	8	537	-
Interest payable and expenses	9	(8,985)	(18,392)
<b>Profit before tax</b>		<b>110,234</b>	<b>101,128</b>
Tax on profit	10	(50,407)	(2,611)
<b>Profit after tax</b>		<b>59,827</b>	<b>98,517</b>
Retained earnings at the beginning of the year		(652,469)	(750,986)
		(652,469)	(750,986)
Profit for the year		59,827	98,517
<b>Retained earnings at the end of the year</b>		<b>(592,642)</b>	<b>(652,469)</b>

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 7 to 19 form part of these financial statements.



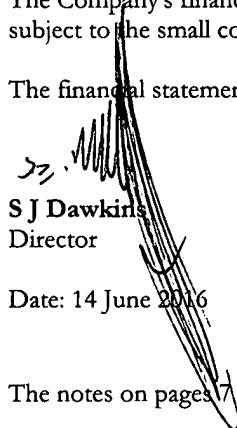
## Balance sheet

As at 31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	11	16,040	10,757
Tangible assets	12	9,243	12,568
Investments	13	309,892	429,850
		<u>335,175</u>	<u>453,175</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	1,247,847	1,425,403
Cash at bank and in hand	15	607,532	1,433,925
		<u>1,855,379</u>	<u>2,859,328</u>
Creditors: amounts falling due within one year	16	(1,862,514)	(3,101,211)
<b>Net current assets</b>		<u>(7,135)</u>	<u>(241,883)</u>
<b>Total assets less current liabilities</b>		<u>328,040</u>	<u>211,292</u>
Creditors: amounts falling due after more than one year	17	(920,582)	(863,661)
<b>Net assets</b>		<u>(592,542)</u>	<u>(652,369)</u>
<b>Capital and reserves</b>			
Called up share capital	19	100	100
Profit and loss account	18	(592,642)	(652,469)
		<u>(592,542)</u>	<u>(652,369)</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**S J Dawkins**  
 Director

Date: 14 June 2016

The notes on pages 7 to 19 form part of these financial statements.

# Notes to the financial statements

For the Year Ended 31 December 2015

## **1. Accounting policies**

### **1.1 Company Information**

Air Logistics Networks Limited is a wholly owned subsidiary of World Freight Company S.A.S, World Freight Company International S.A.S is the ultimate parent undertaking. The address of the registered office of the ultimate parent is Done De Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Aeroport, France, F95705.

### **1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

### **1.3 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;

This information is included in the consolidated financial statements of World Freight Company International S.A.S as at 31 December 2015 and these financial statements may be obtained from Zone De Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Aeroport, France, F95705.

### **1.4 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

### **1.5 Revenue**

Revenue comprises revenue recognised by the company in respect of agency services supplied during the year, exclusive of Value Added Tax and trade discounts.

Debtors and creditors arising from the transportation of air cargo are shown as assets and liabilities. This recognises that the company is entitled to retain the investment income on any cashflows arising from these transactions.

## **Notes to the financial statements**

**For the Year Ended 31 December 2015**

### **1. Accounting policies (continued)**

#### **1.6 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

#### **1.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 2 - 5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Income and Retained Earnings.

#### **1.8 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **1.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **1.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## **Notes to the financial statements**

**For the Year Ended 31 December 2015**

### **1. Accounting policies (continued)**

#### **1.11 Foreign currency translation**

##### **Functional and presentation currency**

The company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

#### **1.12 Finance costs**

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **1.13 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### **1.14 Interest income**

Interest income is recognised in the Profit and loss account using the effective interest method.

## **Notes to the financial statements**

**For the Year Ended 31 December 2015**

### **1. Accounting policies (continued)**

#### **1.15 Taxation**

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

### **2. Judgements in applying accounting policies and key sources of estimation uncertainty**

Many of the amounts included in the financial statements involve the use of judgement and/or estimation.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

#### **Judgements in applying accounting policies**

- The directors must judge whether all of the conditions required for revenues to be recognised in the income statement of the financial year, as set out below, have been met.

#### **Sources of estimation uncertainty**

- Depreciation rates are based on the useful lives and residual values of the assets involved.

### **3. Analysis of turnover**

The whole of the turnover is attributable to the one principal activity.

All turnover arose within the United Kingdom.

# Notes to the financial statements

For the Year Ended 31 December 2015

## 4. Operating profit

The operating profit is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets	4,470	1,704
Amortisation of intangible assets	4,454	3,282
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	5,040	2,580
Exchange differences	8,825	(15,629)
Write off of investment in joint venture	119,958	169,941

## 5. Auditor's remuneration

	2015	2014
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	5,040	2,580
	5,040	2,580
Other services relating to taxation	1,620	1,575
All other services	500	-
	2,120	1,575

## 6. Employees

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£	£
Wages and salaries	292,795	224,362
Social security costs	26,080	19,844
Cost of defined contribution scheme	10,456	5,838
	329,331	250,044

The average monthly number of employees, including the directors, during the year was as follows:

	2015	2014
	No.	No.
Administration	8	4

# Notes to the financial statements

For the Year Ended 31 December 2015

## 7. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	61,981	59,738
Company contributions to defined contribution pension schemes	2,820	2,115
	<u>64,801</u>	<u>61,853</u>

During the year retirement benefits were accruing to one director (2014 - one) in respect of defined contribution pension schemes.

## 8. Interest receivable

	2015 £	2014 £
Other interest receivable	537	-
	<u>537</u>	<u>-</u>

## 9. Interest payable and similar charges

	2015 £	2014 £
Other loan interest payable	-	2,786
Loans from group undertakings	8,985	15,606
	<u>8,985</u>	<u>18,392</u>

## 10. Taxation

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	48,675	6,802
Adjustments in respect of previous periods	1,732	(4,191)
	<u>50,407</u>	<u>2,611</u>
<b>Total current tax</b>	<u>50,407</u>	<u>2,611</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>50,407</u>	<u>2,611</u>

# Notes to the financial statements

For the Year Ended 31 December 2015

## 10. Taxation (continued)

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	110,234	101,128
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	22,319	21,732
<b>Effects of:</b>		
Expenses not deductible for tax purposes	25,756	38,035
Utilisation of tax losses	-	(50,170)
Adjustments to tax charge in respect of prior periods	1,732	(4,191)
Deferred tax not recognised	600	(2,795)
<b>Total tax charge for the year</b>	<b>50,407</b>	<b>2,611</b>



**Air Logistics Networks Limited**

## Notes to the financial statements

For the Year Ended 31 December 2015

### **11. Intangible assets**

	Software development £
<b>Cost</b>	
At 1 January 2015	16,243
Additions	9,737
At 31 December 2015	<u>25,980</u>
<b>Amortisation</b>	
At 1 January 2015	5,486
Charge for the year	4,454
At 31 December 2015	<u>9,940</u>
<b>Net book value</b>	
At 31 December 2015	<u>16,040</u>
At 31 December 2014	<u>10,757</u>

**Air Logistics Networks Limited**

**Notes to the financial statements**  
**For the Year Ended 31 December 2015**

**12. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 January 2015	14,272
Additions	1,145
At 31 December 2015	<u>15,417</u>
<b>Depreciation</b>	
At 1 January 2015	1,704
Charge for the period	4,470
At 31 December 2015	<u>6,174</u>
<b>Net book value</b>	
At 31 December 2015	<u>9,243</u>
At 31 December 2014	<u>12,568</u>

# Notes to the financial statements

For the Year Ended 31 December 2015

## 13. Fixed asset investments

	Investment in joint ventures £
<b>Cost or valuation</b>	
At 1 January 2015	429,850
Amounts written off	(119,958)
At 31 December 2015	309,892
At 31 December 2015	-
<b>Net book value</b>	
At 31 December 2015	309,892
At 31 December 2014	429,850

The investment is a 50% holding of the ordinary share capital of Air Logistics Sdn Bnd, a company registered in Brunei. The principal activities of the joint venture are that of a cargo sales and service agent.

## 14. Debtors

	2015 £	2014 £
Trade debtors	834,563	943,201
Amounts owed by group undertakings	404,471	465,377
Other debtors	-	8,639
Prepayments and accrued income	8,813	8,186
	1,247,847	1,425,403

Included within other debtors due within one year is a loan to P Brunet, a director, amounting to £nil (2014: £8,639). Amounts repaid during the year totalled £8,639.

**Air Logistics Networks Limited**

# Notes to the financial statements

For the Year Ended 31 December 2015

## 15. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	607,532	1,433,925
	<u>607,532</u>	<u>1,433,925</u>

## 16. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	266,644	1,165,372
Amounts owed to group undertakings	1,480,206	1,641,501
Corporation tax	48,675	2,611
Taxation and social security	15,438	24,185
Other creditors	50,000	53,267
Accruals and deferred income	1,551	214,275
	<u>1,862,514</u>	<u>3,101,211</u>

## 17. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed to group undertakings	920,582	863,661
	<u>920,582</u>	<u>863,661</u>

## 18. Reserves

### Profit & loss account

The profit and loss account includes all current and prior year retained profits and losses.

## Notes to the financial statements

For the Year Ended 31 December 2015

### 19. Share capital

	2015	2014
	£	£
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

### 20. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £10,456 (2014 - £5,838). Contributions totalling £nil (2014 - £nil) were payable to the fund at the balance sheet date.

### 21. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

## Notes to the financial statements

For the Year Ended 31 December 2015

### **22. Related party transactions**

As a wholly owned subsidiary of World Freight Company S.A.S., the company is exempt from the requirements of FRS 102 Section 33 to disclose transactions with other members of the group headed by World Freight Company International S.A.S.

### **23. Controlling party**

The company is a subsidiary undertaking of World Freight Company S.A.S., a company registered in France.

The ultimate parent company is World Freight Company International S.A.S., a company also registered in France.

The largest and smallest group in which the results of the company are consolidated is that headed by World Freight Company International S.A.S. Consolidated accounts are available from Zone de Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Airport, France, F95705.

The ultimate controlling party is Greenbriar Equity Group LLC.

### **24. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.